

Regulatory Fairness Board meeting October 28<sup>th</sup> 2014, Brunswick – co-hosted by the Southern MidCoast Chamber of Commerce.

Attendees:

Matthew Dunlap, Secretary of State, Chair, Regulatory Fairness Board  
David H. Brenerman, Regulatory Fairness Board  
Patricia Kuhn, Regulatory Fairness Board  
Stephen Rich, Regulatory Fairness Board

Public:

Tim Sardano – Maine Department of Labor  
Curt Neufeld – SiteLine PA  
Linda Smith – Town of Brunswick  
Marilyn Geroux – Small Business Administration  
Eric Wilson – The Water Doctors  
Jack Meehan – J Meehan Construction  
Senator Eloise Vitelli - Women Work and Community  
Brian Doyle – Maine Department of Economic and Community Development  
Carolyn Farkas - Nue Southern Midcoast Chamber of Commerce  
Charlie Huntington – I & S Insulation, Wiscasset  
Fletcher Kittridge, GWI

After introductions, Charlie Huntington presented on behalf of the Maine Contractors and Builders Alliance, asking for the reinstatement of the statewide Maine Building and Energy Code (MUBEC.) MCBA represents 120 members predominately in the Mid-Coast area of Maine.

MCBA believes that the uneven adoption of MUBEC is harmful to their businesses because it creates an uneven playing field where contractors are able to undercut each other in towns without a building code by not bidding to build a project to code. This ultimately hurts the consumer, who may not know the difference in the bids is based on one bid potentially not meeting a national recognized building code.

The MCBA maintains that having different jurisdictions with different, or no building code, is inefficient and more expensive for small construction firms. It places an undue burden on these small businesses to try to decipher which code they are working with in each community.

MCBA also believes it is bad for the consumers, who may be spending hard earned money on a building that does not meet any minimum standards and also is not energy efficient.

MCBA would like the RFB to consider backing the reinstatement of the statewide MUBEC for all communities, no matter what population. The cost to the towns can be minimized by the use of third party inspectors, currently in law and for which the home owner pays, to determine if the building is meeting the code.

Curt Neufeld of Sitalines PA brought forward an issue with the site review process at Department of Environmental Protection for lots that are “infill” or reuse. Neufeld pointed out that the process for review can take, by law, up to 180 days. For someone who is redeveloping a site with smaller lots, this can mean the loss of a complete selling and or construction season. Neufeld clarified that what he was speaking about was the subdivision of lots on property that is being re-developed, and where the

environmental impacts were mainly storm water runoff. He feels that the review process for reuse of a site (in the case he was speaking about, a reuse of an old quarry in Auburn), should be shorter, or “leaner” than the process for developing a “greenfield.” In short, the review on the reuse of an empty blighted site should be shorter, and cost less than the development of a new site, if there are no significant resource impacts other than managing storm water runoff.

In the case of the “Brownfield” redevelopment, he also would like to see changes in permits to allow the owner to undertake the work needed to make the site useable at their own risk, before the site review is approved. He believes the fees should be lowered to represent the work required on a redevelopment of a Brownfield or infill development vs. the creation of a brand new subdivision on new, previously unused land.

Mr. Nuefield also expressed concerns over the “recreational fee” Brunswick has in place for the development of residential lots. He believes there should be more flexibility in applying that recreational fee, especially if the project is an “infill” development that has ready access to existing recreational space.

Other issues were raised around businesses that get behind on their sales tax payment and the inflexibility of Maine Revenue Services on negotiating the interest and fees associated with those late payments. It was pointed out that MRS has no flexibility in statute for waiving or reducing interest or fees. If a business knows they are going to get behind on their payments of sales or other taxes, their first call should be to MRS who will work out a payment plan with them in advance. It was also noted that the inability to pay sales tax the business has collected is often symptomatic of other issues. The state has a variety of business support services that are free that can assist a business dig out of a financial hole before it becomes too deep.

A business also expressed concern that while he regularly pays use tax on items he purchases out of state which are used in his business, the company he purchased them from is being audited by MRS. His supplier is requesting a resale certificate which he does not have since his business does not sell items. MRS is asking the out of state supplier to provide records of sales in-state to prove they have charged sales tax. While this business has record of use tax being paid to MRS for those supplies, those records do not seem to be enough for what the MRS is looking for from his supplier. In addition, MRS is looking back 7-10 years, and that is a lot of back tracking through paperwork for this company.

Fletcher Kittridge joined the meeting late to talk about the regulatory issues around expanding broad band. Those include poll attachment and the definition of broad band by the State and service providers. Since many of the RFB board had other appointments and could not stay, the board agreed to have Mr. Kittridge come and talk at a board meeting at a later time.